

**NPM No. 42-2009**

6 August 2009

**MR. BERNADITO C. SABALILAG**  
*General Manager*  
**PRISMODIAL CONSTRUCTION CO.**  
No. 4 Republic Avenue, Brgy. Holy Spirit, Quezon City

**Re: Discrepancy in Actual and Calculated Bid Prices**

Dear Mr. Sabalilag:

We respond to your letter dated 21 July 2009 requesting for clarification on the amount which would prevail in the following cases:

1. Discrepancy between the amount in words of the Bid Price (e.g. Fifty Million Ninety Nine Thousand Nine Hundred Ninety Nine Pesos and 01/100) and the amount in figures (e.g. PhP53,099,999.01); and
2. Discrepancy in the amount in words in the prospective bidder's Financial Proposal and the Calculated Bid Price as evaluated and certified by the Technical Working Group.

As to your first query, we refer you to Section 32.4.3 of the Implementing Rules and Regulation Part A (IRR-A) of Republic Act No. 9184 (R.A. 9184), viz:

*"In case of discrepancies between: (a) bid prices in figures and in words, the latter shall prevail; (b) total prices and unit prices, the latter shall prevail (c) unit cost in the detailed estimate and unit cost in the bill of quantities, the latter shall prevail."* (Emphasis provided)

Thus, it is clear from the foregoing that in case of said discrepancy, the bid price's amount in words shall prevail over the amount in figures.

As to your second query, guidance may be sought from Section 37.1 of the IRR-A of R.A. 9184, which reads as follows:

*"Award of contract shall be made to the bidder with the Lowest Calculated Responsive Bid or the Highest Rated Responsive Bid, as the case may be, at its submitted bid price or its calculated bid price, whichever is lower. In the case of quality-based procurement of consulting services, the award shall*

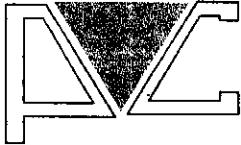
*be based on the negotiated price or the submitted price, whichever is lower. In the case of Single Calculated/Rated Responsive Bid, as provided in Section 36 of the Act and this IRR-A, the bidder with the Single Calculated/rated Responsive Bid shall be awarded the contract." (Emphasis provided)*

A reading of the above provision, taken together with Section 32.4.3 discussed earlier, leads us to the conclusion that the contract should be awarded to the bidder with the Lowest Calculated Responsive Bid at the amount determined to be whichever is lower between the actual submitted bid price in words and the evaluated, calculated bid price. Hence, in case of discrepancy between the two amounts, the lower shall prevail.

We trust that this sufficiently addresses your concern. Should you have additional questions, please do not hesitate to contact us.

Very truly yours,

*Rubén C. Pineda*  
for **RUBY U. ALVAREZ**  
*Executive Director III*



# PRISMODIAL CONSTRUCTION CO.

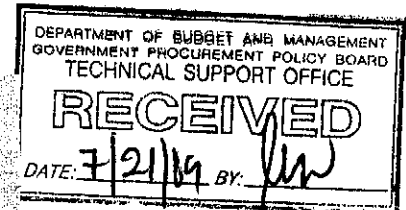
General Contractor

No. 4 Republic Ave. Brgy. Holy Spirit, Quezon City  
Tel. No.: 430-8112 / Tel/Fax: 430-63-38

MEMBER OF EUROPEAN CHAMBER OF COMMERCE OF THE PHILIPPINES

21-JULY-2009

**ATTY. RUBY ALVAREZ**  
**Executive Director**  
Government Procurement Policy Board  
Procurement Service  
Raffles Tower, Ortigas



*Enunciado,  
P.S. handle begin for  
my behalf  
7/22/09*

Dear Madam,

This has reference to the conducted bidding last May 24, 2009. On behalf of Prismodial Construction may we request from your honorable office to lend us your Professional Standard and Recommendation regarding the discrepancy that arises between the Amount in Words in **Bid Price** which is *Fifty Million Ninety Nine thousand Nine Hundred Ninety Nine Pesos and 01/100* but the Amount in figures shows PhP53,099,999.01 and the **Calculated Bid Price** which is *Fifty Three Million Ninety Nine Thousand Nine Hundred Ninety Nine Pesos and 01/100* amount in words and in figures as being evaluated and certified by the Technical Working Group as the **Lowest Calculated and Responsive Bid**. May you grant us professional advice and recommendation as to what will prevail the Amount in Words in the First Page of the Bid Proposal or The Calculated Bid Price evaluated and certified by the TWG in the Third page of the Proposal?

Attached herewith is the copy of the Three Pages Bid Proposal, Copy of the Motion for Reconsideration citing our concerns and explanation, Copy of the Letter Response to the MR for your reference.

Thank you very much as we anticipate for your positive response and consideration on this matter. More Power!!!

Very yours truly,

Bernadito C. Sabalilag  
General Manager